

IN THE UNITED STATES DISTRICT COURT
OF THE EASTERN DISTRICT OF CALIFORNIA

CALIFORNIA DEPARTMENT OF
TOXIC SUBSTANCES CONTROL,

Plaintiff,

CASE NO. CIV-S-02-0018 GEB GGH
ORDER REGARDING FURTHER SETTLEMENT
CONFERENCES

v.

BRIGHTON OIL COMPANY, et al.,

Defendants.

The following order is issued to all non-fully dismissed parties and their counsel regarding appearances at settlement conferences:

1. April 21, 2009 at 10:00 a.m.: All counsel representing non-fully dismissed parties and all parties appearing in pro per are directed to appear for a general settlement conference. Attorneys should have full authority to discuss settlement terms (insurance representatives may appear).

2. April 22, 2009 at 10:00 a.m.: All non-fully dismissed parties and their counsel and all parties appearing in pro per are directed to appear for a settlement conference. Attorneys and their clients and parties appearing in pro per should have full authority to make

1 settlement decisions (insurance representatives may appear on behalf of parties if they so
2 desire, but are required to be on telephone standby).

3 "All parties" include those non-dismissed parties who elected to be "nonparticipating"
4 in the settlement process up to this point. See Participation Memorandum of November 19,
5 2003.

6 These settlement conferences are scheduled pursuant to the November 4, 2003
7 Settlement Process Order, and specifically Stages II and III referenced therein. It is anticipated
8 that the Final Feasibility Study/Remedial Action Plan ("FS/RAP") will have proceeded through
9 the public comment process, and the FS/RAP will have received final approval by DTSC. If
10 final approval has not been obtained from DTSC, final settlement will be contingent upon the
11 approval of a final RAP.

12 The settlement conference will begin with the parties having a general settlement
13 conference session on April 21, 2009 and then on April 22, 2009, the parties will be organized
14 in accordance with the groups identified in the settlement process order as modified herein.
15 The groups will facilitate the court in working with the parties. The court may consider a
16 different settlement discussion structure during the course of the settlement conferences if
17 necessary.

18 In accordance with the above, all settlement conference participants shall initially meet
19 for a joint session on April 21, 2009 at 10:00 a.m. at the commencement of the conference to
20 be updated on the events involving public comment, offers all groups might wish to consider,
21 structure of the settlement process, potential insurance products to be considered for the site,
22 and other informational issues pertinent to the groups as a whole.

For settlement purposes the groups are as follows:

1. Owners' Group:

Kester
McDuffee
Mid-Valley Development
Shankar
Stone
White Rock & Kilgore LLC

2. Arrangers' Group:

Aerojet
Atlantic Richfield
Chevron U.S.A. Inc.
City of Sacramento
City of Roseville
County of Sacramento
Ellsworth Harrold
Exxon Mobil
FB Hart
International Truck
John L. Sullivan
Petroleum Tank Line
PG&E
R.L. Niello
Shell Oil
SMUD
State Agencies (CHP, Caltrans, State Garage)
Suburban Motors
Teichert, Inc.
Texaco Inc.
Turner Motors
Union Oil Company of California
Union Pacific Railroad
United States Air Force
Valley Livestock

Previously and currently identified non-participating parties (as set forth below) shall join the

3. Other Arrangers Group:

Keil Enterprises
Maita Oldsmobile

The Settlement Process Order contemplates settlement on an equitable basis. However, the parties may also discuss other potential allocations for settlement, including on a pro rata basis, which may help to facilitate settlement. Also important to final resolution is a determination of generator status and details governing those parties who will remain responsible for implementing the remedy in the approved RAP, for any further monitoring, and work to be performed in later years, assuming an improbable event which would necessitate any further work to be performed, as well as potential insurance products to be utilized in a settlement.

All parties shall serve their settlement conference statements on Magistrate Judge Hollows in his chambers and on the other parties in the litigation 10 days prior to the date of the settlement conference. The statements shall be based upon as much informal contact within and without the individual groups as possible. If it is possible for a group to prepare and serve a consolidated settlement conference statement containing group agreements, it is advisable to do so. Except for statements on behalf of a group, the statements shall be no greater in length than five pages. No more than ten pages of exhibits may be served along with the settlement conference statements.

DATED: February 17, 2009

/s/ Gregory G. Hollows

GREGORY G. HOLLOWSS
UNITED STATES MAGISTRATE JUDGE